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# Viewing cable 09QUITO216, SLOW-ROLLING THE GOE REQUEST TO PURCHASE F-16S

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## **Understanding cables**

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables (<u>browse by origin</u> to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this <u>WikiSource</u> article as reference.

## **Discussing cables**

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at theparagraph symbol). Please mark messages for social networking services like Twitter with the hash tags #cablegate and a hash containing the reference ID e.g. #09QUITO216.

Reference ID Created Released Classification Origin
09QUITO216 2009-03-27 19:48 2011-08-30 01:44 CONFIDENTIAL Embassy Quito

Appears in these articles:

http://www.eluniverso.com/2011/04/14/1/1355/cable-199357.html

VZCZCXYZ0001 OO RUEHWEB

DE RUEHQT #0216/01 0861948 ZNY CCCCC ZZH O 271948Z MAR 09 FM AMEMBASSY QUITO TO RUEHC/SECSTATE WASHDC IMMEDIATE 0205 INFO RUEHBO/AMEMBASSY BOGOTA 8061 RUEHBR/AMEMBASSY BRASILIA 4123 RUEHCV/AMEMBASSY CARACAS 3473 RUEHLP/AMEMBASSY LA PAZ MAR LIMA 3121 RUEHGL/AMCONSUL GUAYAQUIL 4221 RHMFISS/USSOUTHAF DAVIS MONTHAN AFB AZ RUEAHQA/OSAF WASHDC RHEHNSC/NSC WASHDC 2276 RUCOWCA/COGARD TISCOM ALEXANDRIA VA RUENAAA/SECNAV WASHDC RHMFISS/HO USSOUTHCOM MIAMI FL RHEFDIA/DIA WASHINGTON DC RUEADWD/USDOARMY WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RHMFISS/CDR USSOUTHCOM MIAMI FL RHMFISS/DIRJIATF SOUTH J2

#### SIPDIS

E.O. 12958: DECL: TWENTY YEARS TAGS: PREL MARR MASS MOPS EC

TAGS: PREL MARR MASS MOPS EC SUBJECT: SLOW-ROLLING THE GOE REQUEST TO PURCHASE F-16S

REF: QUITO 178

Classified By: Ambassador Heather M. Hodges for Reasons ...

id: 199357

date: 3/27/2009 19:48 refid: 09QUITO216 origin: Embassy Quito classification: CONFIDENTIAL destination: 09QUITO178

header: VZCZCXYZ0001

OO RUEHWEB

DE RUEHQT #0216/01 0861948 ZNY CCCCC ZZH O 271948Z MAR 09 FM AMEMBASSY QUITO TO RUEHC/SECSTATE WASHDC IMMEDIATE 0205 INFO RUEHBO/AMEMBASSY BOGOTA 8061 RUEHBR/AMEMBASSY BRASILIA 4123 RUEHCV/AMEMBASSY CARACAS 3473 RUEHLP/AMEMBASSY LA PAZ MAR LIMA 3121 RUEHGL/AMCONSUL GUAYAQUIL 4221 RHMFISS/USSOUTHAF DAVIS MONTHAN AFB AZ RUEAHQA/OSAF WASHDC RHEHNSC/NSC WASHDC 2276 RUCOWCA/COGARD TISCOM ALEXANDRIA VA RUENAAA/SECNAV WASHDC RHMFISS/HQ USSOUTHCOM MIAMI FL RHEFDIA/DIA WASHINGTON DC RUEADWD/USDOARMY WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RHMFISS/CDR USSOUTHCOM MIAMI FL

----- header ends -----

CONFIDENTIAL QUITO 000216

SIPDIS

E.O. 12958: DECL: TWENTY YEARS TAGS:  $\underline{PREL}$   $\underline{MARR}$   $\underline{MASS}$   $\underline{MOPS}$   $\underline{EC}$ 

RHMFISS/DIRJIATF SOUTH J2

SUBJECT: SLOW-ROLLING THE GOE REQUEST TO PURCHASE F-16S

REF: QUITO 178

Classified By: Ambassador Heather M. Hodges for Reasons 1.4 (b&d)

11. (C) Summary: The Ecuadorian Air Force (FAE) Commander signed an official memorandum on November 25, 2008 requesting a quote from the U.S. on the cost of purchasing 24 F-16 C/D Block 50 Mid-Life Upgrade (MLU) aircraft, with the intention of replacing its outdated fighter fleet. Post delayed forwarding the request due to bilateral tensions and the expectation that the GOE would decide to direct its resources elsewhere; however, the FAE has continued to express an interest in a response. Although the request is only for a quote at this time, initiating discussions on the sale of advanced fighter aircraft to Ecuador raises the question of how such a sale would meet USG policy goals and the potential for a negative reaction by other countries in the region. The sale of F-16s would help maintain a longer term U.S.-Ecuador military to military relationship, and keep

Ecuador from making the purchase from Russia, France, or China. However, Ecuador's historic instability, current leftist government, recent tensions with the U.S., and economic woes also raise the question of its ability to pay and the wisdom of the purchase, as well as its ultimate objectives. The Embassy seeks guidance from Washington on whether providing a price quote, with the potential for a future sale, supports USG policy goals. (End Summary)

#### The GOE Makes Its Request

¶2. (C) The Embassy received an official memorandum dated November 25, 2008. from the FAE requesting a price quote for the potential purchase of two squadrons of F-16 C/D Block 50 MLU (24 total) aircraft. Although Post thought the GOE might lose interest in the aircraft, subsequent verbal inquiries have confirmed that the FAE still wants the information. In meetings with several FAE generals, we are told that the Ecuadorian military is looking to replace fully its current Israeli KFIR and French Mirage fleet, which are both over 30 years old. The FAE currently has 33 out-of-commission Mirages and KFIRs and three functional KFIRs. Initial estimates of price are in excess of \$800 million. The request for a price quote would allow the FAE to include this information in its proposal for 2010 and subsequent budgets.

### Policy Concerns

- 13. (C) It is not clear whether U.S. policy will allow the transfer of associated weapons systems for use by F-16s in Ecuador. F-16 Block 50 aircraft are capable of employing the US Air Force,s (USAF) most sophisticated and advanced weapons technology, such as Joint Direct Attack Munition GPS-guided bombs and laser guided munitions, as well as our most advanced air-to-air missiles. Although it is extremely unlikely that the GOE would use the aircraft or technology against the U.S., Ecuador has a history of political instability which could present a concern for regional conflicts.
- 14. (C) Selling the F-16 to Ecuador, due to the high cost of the package and subsequent need for maintenance, would help in maintaining FAE-USAF ties for the next 30 years. Furthermore, if the U.S. does not sell the F-16 and if the GOE decides to move forward on the purchase of fighter aircraft, the GOE could engage Russia, France or China, who would have no issues in selling their aircraft. The Embassy notes that it may be in the USG,s interest to strengthen the military relationship through sales in general, rather than having the GOE go elsewhere, but the significance of F-16s merits careful consideration. Selling the F-16 also would enable the U.S. to control the weapons capability used on Ecuador's fighter aircraft.

#### Regional Impact

15. (C) Ecuador,s regional neighbors may perceive Ecuador,s acquisition of the F-16s as a change in the regional balance of power. Specifically, the history of conflict with Peru, plus the March 1 Colombian attack in Ecuador and Ecuador,s refusal to re-establish diplomatic relations with Colombia, could cause regional U.S. allies to question the sale. However, Peru has one of Russia,s most advanced fighters, the SU-27, in its inventory, and Colombia recently completed the acquisition of the most advanced Israeli KFIR.

## Where,s the Money?

16. (C) Reflecting reduced oil revenues, Defense Minister Javier Ponce announced on December 22 that the GOE will reduce military spending by updating existing equipment, setting a ceiling on military retirement pay, and selling off non-defense related companies currently owned by the military. Yet, the GOE has already made several commitments for the acquisition of military equipment. The GOE spent \$631 million in almost two years (\$463 million in 2008) to acquire a Legacy 600 presidential plane, 24 Brazilian Super Tucanos, seven Indian HAL Dhruv helicopters, jeeps, 14 boats,

two Leander class frigates, and other equipment and munitions. The GOE has also told Embassy officials of its strong interest in the purchase of two C-130Js at an estimated cost of \$240 million. The Ecuadorian military announced the potential purchase of radars from the Chinese government-owned Chinese Electronics Technology Corporation (CETC) for use in the northern border region, at a cost of \$60 million (reftel). With all these announced purchases of weapons, and with the global economic crisis and the price of Ecuadorian oil at approximately \$48 per barrel, it is unclear whether the GOE would have sufficient funds to make the purchase of F-16s. The priorities for the GOE during the economic downturn also raises the question of whether this money should be best spent elsewhere.

17. (C) High level Ecuadorian military officials have privately told Embassy officials that the Minister of Defense has instructed the Ecuadorian Joint Command to pursue any acquisitions of military equipment from China, Russia or Iran. However, FAE leadership continues to stress the strategic benefits of purchasing the F-16s from the U.S.

#### Comment

18. (C) The purchase of the Super Tucanos and C-130s makes more strategic sense for Ecuador in the patrol and protection of its borders. The Embassy would like to avoid, however, having to deny Ecuador,s request for only a price quote, noting that an ultimate sale could take up to three years, and that a price quote represents no commitment to make a sale. The Embassy will attempt to guide the Ecuadorian military in making strategic decisions on the purchase of military equipment. Meanwhile, with the economic challenges faced by the GOE and already announced reductions of military spending, it is likely that the GOE will determine that pursuing the purchase of fighter aircraft is not in its own best interest at this time. The Embassy requests guidance from Washington on whether providing a price quote, with the potential for a future sale, supports USG policy goals.

HODGES

=======CABLE ENDS==================